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for the control period divided by the unit's baseline heat input.

(d) *Issuance of draft NO_x Budget opt-in permit for public comment.* The permitting authority will issue a draft NO_x Budget opt-in permit for public comment in accordance with § 97.20.

(e) Notwithstanding paragraphs (a) through (d) of this section, if at any time before issuance of a draft NO_x Budget opt-in permit for public comment for the unit, the Administrator or the permitting authority determines that the unit does not qualify as a NO_x Budget opt-in unit under § 97.80, the permitting authority will issue a draft denial of a NO_x Budget opt-in permit for public comment for the unit in accordance with § 97.20.

(f) *Withdrawal of application for NO_x Budget opt-in permit.* A NO_x authorized account representative of a unit may withdraw its application for an initial NO_x Budget opt-in permit under § 97.83 at any time prior to the issuance of the initial NO_x Budget opt-in permit. Once the application for a NO_x Budget opt-in permit is withdrawn, a NO_x authorized account representative wanting to re-apply must submit a new application for an initial NO_x Budget permit under § 97.83.

(g) The unit shall be a NO_x Budget opt-in unit and a NO_x Budget unit starting May 1 of the first control period starting after the issuance of the initial NO_x Budget opt-in permit by the permitting authority.

§ 97.85 NO_x Budget opt-in permit contents.

(a) Each NO_x Budget opt-in permit will contain all elements required for a complete NO_x Budget opt-in permit application under § 97.22.

(b) Each NO_x Budget opt-in permit is deemed to incorporate automatically the definitions of terms under § 97.2 and, upon recordation by the Administrator under subpart F or G of this part, every allocation, transfer, or deduction of NO_x allowances to or from the compliance accounts of each NO_x Budget opt-in unit covered by the NO_x Budget opt-in permit or the overdraft account of the NO_x Budget source where the NO_x Budget opt-in unit is located.

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§ 97.86 Withdrawal from NO_x Budget Trading Program.

(a) *Requesting withdrawal.* To withdraw from the NO_x Budget Trading Program, the NO_x authorized account representative of a NO_x Budget opt-in unit shall submit to the Administrator and the permitting authority a request to withdraw effective as of a specified date prior to May 1 or after September 30. The submission shall be made no later than 90 days prior to the requested effective date of withdrawal.

(b) *Conditions for withdrawal.* Before a NO_x Budget opt-in unit covered by a request under paragraph (a) of this section may withdraw from the NO_x Budget Trading Program and the NO_x Budget opt-in permit may be terminated under paragraph (e) of this section, the following conditions must be met:

(1) For the control period immediately before the withdrawal is to be effective, the NO_x authorized account representative must submit or must have submitted to the Administrator and the permitting authority an annual compliance certification report in accordance with § 97.30.

(2) If the NO_x Budget opt-in unit has excess emissions for the control period immediately before the withdrawal is to be effective, the Administrator will deduct or has deducted from the NO_x Budget opt-in unit's compliance account, or the overdraft account of the NO_x Budget source where the NO_x Budget opt-in unit is located, the full amount required under § 97.54(d) for the control period.

(3) After the requirements for withdrawal under paragraphs (b)(1) and (2) of this section are met, the Administrator will deduct from the NO_x Budget opt-in unit's compliance account, or the overdraft account of the NO_x Budget source where the NO_x Budget opt-in unit is located, NO_x allowances equal in number to and allocated for the same or a prior control period as any NO_x allowances allocated to that source under § 97.88 for any control period for which the withdrawal is to be effective. The Administrator will close the NO_x Budget opt-in unit's compliance account and transfer any remaining allowances to a general account specified by the owners and operators of the NO_x Budget opt-in unit.

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(c) A NO_x Budget opt-in unit that withdraws from the NO_x Budget Trading Program shall comply with all requirements under the NO_x Budget Trading Program concerning all years for which such NO_x Budget opt-in unit was a NO_x Budget opt-in unit, even if such requirements arise or must be complied with after the withdrawal takes effect.

(d) *Notification.* (1) After the requirements for withdrawal under paragraphs (a) and (b) of this section are met (including deduction of the full amount of NO_x allowances required), the Administrator will issue a notification to the permitting authority and the NO_x authorized account representative of the NO_x Budget opt-in unit of the acceptance of the withdrawal of the NO_x Budget opt-in unit as of a specified effective date that is after such requirements have been met and that is prior to May 1 or after September 30.

(2) If the requirements for withdrawal under paragraphs (a) and (b) of this section are not met, the Administrator will issue a notification to the permitting authority and the NO_x authorized account representative of the NO_x Budget opt-in unit that the request to withdraw is denied. If the NO_x Budget opt-in unit's request to withdraw is denied, the NO_x Budget opt-in unit shall remain subject to the requirements for a NO_x Budget opt-in unit.

(e) *Permit revision.* After the Administrator issues a notification under paragraph (d)(1) of this section that the requirements for withdrawal have been met, the permitting authority will revise the NO_x Budget permit covering the NO_x Budget opt-in unit to terminate the NO_x Budget opt-in permit as of the effective date specified under paragraph (d)(1) of this section. A NO_x Budget opt-in unit shall continue to be a NO_x Budget opt-in unit until the effective date of the termination.

(f) *Reapplication upon failure to meet conditions of withdrawal.* If the Administrator denies the request to withdraw the NO_x Budget opt-in unit, the NO_x authorized account representative may submit another request to withdraw in accordance with paragraphs (a) and (b) of this section.

(g) *Ability to return to the NO_x Budget Trading Program.* Once a NO_x Budget opt-in unit withdraws from the NO_x Budget Trading Program and its NO_x Budget opt-in permit is terminated under paragraph (e) of this section, the NO_x authorized account representative may not submit another application for a NO_x Budget opt-in permit under §97.83 for the unit prior to the date that is 4 years after the date on which the terminated NO_x Budget opt-in permit became effective.

§97.87 Change in regulatory status.

(a) *Notification.* When a NO_x Budget opt-in unit becomes a NO_x Budget unit under §97.4(a), the NO_x authorized account representative shall notify in writing the permitting authority and the Administrator of such change in the NO_x Budget opt-in unit's regulatory status, within 30 days of such change.

(b) *Permitting authority's and Administrator's action.* (1)(i) When the NO_x Budget opt-in unit becomes a NO_x Budget unit under §97.4(a), the permitting authority will revise the NO_x Budget opt-in unit's NO_x Budget opt-in permit to meet the requirements of a NO_x Budget permit under §97.23 as of an effective date that is the date on which such NO_x Budget opt-in unit becomes a NO_x Budget unit under §97.4(a).

(ii)(A) The Administrator will deduct from the compliance account for the NO_x Budget unit under paragraph (b)(1)(i) of this section, or the overdraft account of the NO_x Budget source where the unit is located, NO_x allowances equal in number to and allocated for the same or a prior control period as:

(1) Any NO_x allowances allocated to the NO_x Budget unit (as a NO_x Budget opt-in unit) under §97.88 for any control period after the last control period during which the unit's NO_x Budget opt-in permit was effective; and

(2) If the effective date of the NO_x Budget permit revision under paragraph (b)(1)(i) of this section is during a control period, the NO_x allowances allocated to the NO_x Budget unit (as a NO_x Budget opt-in unit) under §97.88 for the control period multiplied by the number of days in the control period